



MINDFUL CARE MEANINGFUL LIVING





ON THE COVER

THIS WOOD SCULPTURE IS FROM THE ORIGINAL US NAVAL HOME, PHILADELPHIA (EST. 1834). WHEN THE HOME MOVED TO GULFPORT IN 1976, THE EAGLE DID NOT MAKE THE JOURNEY. BY 2010 THE NEW AFRH-GULFPORT OPENED, AND THE EAGLE FOUND ITS WAY BACK HOME, RESTORED TO ITS ORIGINAL SPLENDOR. IT NOW STANDS IN THE LOBBY TO SERVE AS A CONSTANT REMINDER OF THE DEBT WE OWE OUR RETIRED MILITARY. THEY HAVE MADE SO MANY SACRIFICES TO DEFEND LIBERTY AND HELP MAKE AMERICA THE GREATEST NATION ON EARTH. AS SUCH, WE ARE BOUND TO SAFEGUARD OUR VETERANS AS WE PROMISED. ROBERT LETSKUS (ARMY), ALSO ON THE COVER, IS BUT ONE RESIDENT WHO RECEIVES SKILLED THERAPY AND MINDFUL CARE AT AFRH. 'PERSON-CENTERED CARE' IS HELPING ROBERT EXPERIENCE MEANINGFUL LIVING, SO HE MAY TRULY ENJOY THE FREEDOMS THAT HE HELPED FORGE. LIKE THE EAGLE SCULPTURE, ROBERT IS A PROUD LEGACY OF OUR NATION'S ENDURING FIGHT FOR FREEDOM.

VISION:

A retirement community committed to excellence, fostering independence, vitality and wellness for veterans, making it a vibrant place in which to live, work and thrive.

MISSION:

To fulfill our nation's commitment to its veterans by providing a premier retirement community with exceptional residential care and extensive support services.

GUIDING PRINCIPLES:

Person-centered

'Person-centered Care' is defined as the careful manner in which resident needs are considered while developing responsive plans of care and delivering meaningful services.

Accountability

We expect our workforce to achieve what we promise to residents, staff and service partners. To ensure success, we measure progress and provide feedback to our customers.

Integrity

We will strongly uphold the mission of AFRH. We are honest and ethical and deliver on our commitments. We recognize that good ethical decisions require individual responsibility enriched by collaborative efforts.

One Vision / One Mission / One Organization

Success depends on our devotion to an unwavering vision and mission. Working together in different locations, under various managers and leaders, we maintain a distinct focus to serve our residents. We collaborate and respond in a unified and single voice.

Workforce Growth

We strive to hire and retain the most qualified people. We maximize their success through training and development as well as maintaining and promoting open communication.

Honor Heritage

We honor the rich history of the US Armed Forces – from our Veterans to our victories. As such, our campus reflects that military heritage with memorabilia and tributes.

Inspire Excellence

We continuously work to improve each process, service and its delivery, while striving for excellence in all we do. We expect excellence and reward it.

The Summary of Performance and Financial Information (SPFI) for 2012 recaps performance at AFRH from Oct. 1, 2011 – Sep. 30, 2012. This SPFI was published on February 15, 2013 in Washington, DC. The full FY12 Performance and Accountability Report (PAR), published by the Armed Forces Retirement Home (AFRH), Office of the Chief Financial Officer (CFO), is available online at: www.afrh.gov/afrh/about/par/afrhentire-par12.pdf.

TABLE OF CONTENTS

AFRH SPFI FY12

Introduction /	4-5
Our Fascinating People /	6-7
The AFRH Organization /	8-9
Two AFRH Locations /	10-11
Our Remarkable Residents /	12-13
Legacy of Service /	14-15
Our Dynamic Strategy /	16-17
AFRH Performance Overview /	18-19
Special Annual Festivities /	20-21
Performance Budget Integration /	22-23
Key Performance Measures /	24-31
AFRH Financial Overview /	32-35
The Financial Summary /	36-37
AFRH IG Perspective /	38-41
Campaign to Conserve /	42-43
Many Special Thanks /	44-45

“IT WASN’T
HEART BURN—
IT WAS A
HEART ATTACK.
I’M SO LUCKY
OUR MEDICAL
CENTER’S
OPEN 24/7.”

— Claude St. Julien (Army & Air Force)

Claude grew up in Lafayette, LA in a military family. Fishing was king. He spent two years in the Army and 24 years in the Air Force. He came to AFRH in January, 2011.

A few months after arriving, Claude thought he had bad heartburn. However, the doctor at AFRH-G took an EKG and discovered he had actually just had a heart attack. He was immediately sent to Ocean Springs Hospital and had surgery the very next day. “The doctor at the Home reacted quickly and sent me to the right place.”

Now, Claude feels great, has more energy, walks a mile each morning, and still fishes. “This area is home to me and I can fish, which I love. It’s wonderful.”

He’s excited for his 80th birthday party in Louisiana next year. “My grandson’s bringing his jazz band.” Claude is so grateful to the Home’s wonderful medical staff for keeping him healthy so he can enjoy that milestone event.

Introduction

MINDFUL CARE MEANINGFUL LIVING

AT THE AFRH, EVERYTHING WE DO INVOLVES CAREFUL CONSIDERATION OF THE NEEDS OF THE RESIDENTS. EACH ACTION SHAPES THEIR WELLBEING—FROM STRATEGIC PLANNING AND PROGRAM DESIGN TO DAILY OPERATIONS AND PLANS OF CARE. EACH DETAIL NURTURES THE PHYSICAL, EMOTIONAL, AND SPIRITUAL LIFE OF AMERICA'S DEFENDERS. THE END RESULT: MEANINGFUL LIVING AND A REWARDING RETIREMENT.



Welcome to the AFRH, and thank you for reviewing our 2012 SPFI. Many exciting changes are taking place, and we are pleased to share them here. Our new AFRH-Gulfport community (AFRH-G) has been fully operational for two years now, and several capital enhancements are underway to make resident life even more fulfilling there. Also, construction on the new Scott Building in the AFRH-Washington community (AFRH-W) is near completion, and it will soon help us deliver greater resident care at lower maintenance costs.

In the past year, a strong emphasis was placed on personalizing our resident care. All activities and services have embraced our new philosophy of Person-Centered Care (PCC). Also, all staff training supports this movement because we realize PCC depends upon staff buy-in and support. Fortunately the AFRH has positive employees who care to make a difference in the lives of those we now serve.

THERE IS NO GREATER ACCOLADE THAN THE TITLE OF 'VETERAN'. IN WAR OR PEACE, THE LEGACY OF ONE'S SERVICE IS VALOR, DUTY, AND SACRIFICE.

— Steven G. McManus, COO

Our goal is to expand our current vision of PCC Agency-wide. When the entire organization is motivated to revolve around the residents' needs, they will feel nurtured and cared for as individuals. Then, our residents will truly feel 'at home'

Learn more about *Person-centered Care* at:

https://www.afrh.gov/afrh/about/AFRH%20Person-centered%20Care_May2011.pdf

Specifically, our culture change aims to provide services and create environments that promote:

- » Enhanced Dignity
- » Personal Choice
- » Overall Wellbeing
- » Daily Pleasure, and
- » Improved Privacy
- » Stronger Autonomy
- » Feelings of Control
- » Quality of Life

Each year, we provide the Office of Management and Budget (OMB) a detailed analysis of our performance and financial status in the annual Performance and Accountability Report (PAR). OMB requires that we also distill that information into a more convenient and transparent format, here in the SPFI, so it is more accessible to Congress, the public, and key constituencies. This SPFI features the same information as the PAR, yet it is presented in a **condensed** format so you can easily see how the AFRH is fulfilling its mission.



AFRH Key Documents:

AFRH Strategic Plan: <https://www.afrh.gov/afrh/about/strategic2011-2015.pdf>

AFRH Congressional Budget Justification: <https://www.afrh.gov/afrh/about/Congressionaljustificationfy13.pdf>

Chief Operating Officer Message (September 2012): https://www.afrh.gov/afrh/about/par/PAR_COO_MESSAGE_2012.pdf

Management's Assurances (September 2012): https://www.afrh.gov/afrh/about/par/PAR_MGNT_ASSURANCES_2012.pdf

Our Fascinating People

WONDERFUL FEATS



Pensioners from Royal Hospital Chelsea (our London counterparts) visit AFRH-W.



Minoru Nagaoka (Army) is awarded the Congressional Gold Medal—the highest civilian honor from Congress—for service in Military Intelligence and the 100th Infantry Battalion, 442nd Regimental Combat Team.



Christmas Bell Ringers perform with bells, a harp, and an Irish Tin Whistle. Laura Slack, Susan Bergman, Libby Murr, and Dr. Terri Thames planned this holiday concert for Valor Hall residents.



Rupert Maxwell (Air Force) writes his captivating life story, "Hey, I'm not dead yet." He was shot down over Germany in 1944, survived winter and hunger as a POW for seven months, and was freed by General Patton in 1945.

The AFRH honors Ed 'Walking Man' Crump (Air Force) for walking 38,000 miles over nine years. He has walked in nearly every state and took 8th place in the 1500 Meter Race Walk in the 2011 National Senior Olympics.



Andrew Berlin (Army) celebrates his 100th birthday with close family and fellow AFRH-W residents.

P.J. Johnson (Air Force) wins 3rd place in the national Creative Woodworking Competition for Veterans.



Thanks to conscientious residents and staff, AFRH-G has a successful recycling program. In July 2012 they recycled 1.5 tons of paper and 2.33 tons of cardboard that would have gone to a landfill.



Hugh Wingo (Navy) and Marvin Westcott (Navy) served in the South Pacific on December 7, 1941 (Hugh was age 23, Marvin age 18). Both lay a wreath in Gulfport to honor Pearl Harbor Day 2011.

SENSIBLE OVERSIGHT



ORGANIZATION

The AFRH is an independent establishment in the Federal Executive branch, established under 24 USC Chapter 10. It operates like most private retirement facilities. On the corporate level, the COO leads experienced staff who formulate organizational policy and procedures.

The COO is subject to the authority, direction, and control of the Secretary of Defense, delegated to the Under Secretary of Defense (Personnel & Readiness) and the Principal Deputy Under Secretary of Defense (Military Community and Family Policy).

The Agency directs an Administrator at each community who manages independently all operations of resident life. Administrators make their own tactical operational decisions, manage their facilities, and respond to local resident requirements. Yet, Administrators all report directly back to the COO.

This business arrangement promotes smart, strategic decisions that help advance the overall organization, while it also fosters effective communications that keep Congress and AFRH constituents informed.

ADVISORY COUNCIL

The Advisory Council was reconfigured via Congressional legislation. It is comprised of full-time Federal employees or members of the Armed Forces. The Council's role is to provide guidance and recommendations to AFRH on the administration of the Home and the quality of care that is provided to residents.

The Council's two annual meetings allow AFRH management to familiarize members with the AFRH goals, objectives, challenges, and opportunities. The Council met at AFRH-W in November 2011 and at AFRH-G in April, 2012. Its members lend their expertise and knowledge of military- and medical-related concerns for all aspects of resident life. The Council presents an Annual Report to the DoD featuring its observations and recommendations.

“THE AFRH HAS SUCCESSFULLY ADDRESSED ITEMS IN ONE YEAR THAT OTHER ORGANIZATIONS WERE NOT ABLE TO ACCOMPLISH IN FIVE YEARS.”

— CARF Survey, Nov. 2011
(cited in Advisory Council Annual Report)

[AFRH Advisory Council Report](https://www.afrh.gov/afrh/about/par/ACAnnualReporttoDODJun202012.pdf)
<https://www.afrh.gov/afrh/about/par/ACAnnualReporttoDODJun202012.pdf>

STRUCTURE

The AFRH communities follow corporate guidance and operate under the 'One Model' of business operations at the local level. This Model stipulates that each community has the same type of staffing, policies, procedures, and standards of care.

Ultimately, this will ensure that both communities deliver a high level of care in a similar environment. So, if a resident wishes to transfer from one community to another, he or she will still receive the same excellent care.



[From Public Law] – 24 USC 10, Section 411 Establishment of Armed Forces Retirement Home
(b) Purpose – The purpose of the Retirement Home is to provide, through the Armed Forces Retirement Home-Washington and the Armed Forces Retirement Home-Gulfport, residences and related services for certain retired and former members of the Armed Forces.

Two AFRH Locations

CHEERFUL SANCTUARIES

THE ORIGINAL NOTION OF AN 'ASYLUM' TO CARE FOR AMERICA'S FORMER MILITARY HAS EVOLVED OVER TIME—THE BUILDINGS AND ENVIRONMENTS HAVE CERTAINLY FOLLOWED SUIT. OVER THE DECADES, THE HOME'S CARETAKERS HAVE REPLACED LIGHT-DUTY WORKSHOPS AND WORKING FARMS WITH MANICURED GOLF COURSES AND SCENIC WALKING TRAILS. AND LARGE INSTITUTIONS AND CLOSED GATES WERE REPLACED WITH INTIMATE HOMES AND OPEN COMMUNITIES. OUR VETERANS TRULY DESERVE SUCH AMENITIES GIVEN THEIR MANY SACRIFICES IN DEFENDING AMERICA.



Today, the AFRH is so much more than a shelter—it is a warm, comfortable, and friendly place to call home. We currently have two modern AFRH senior living communities: one in Gulfport, MS and one in Washington, DC. Both campuses feature modern designs and comfortable amenities. Plus, both healthcare facilities embrace many elements of the new small house concept for modern retirement and resident care. This puts the AFRH one step closer to its vision for a person-centered home.

GULFPORT, MS Scenic Coastal Retreat

AFRH-G is located on 47 acres off the Gulf Coast in a relaxed southern setting. Sandy beaches, water-front views, beautiful sunrises, and a charming town surround our Gulfport home. In a relaxed southern setting, this Home is situated right on the Mississippi Sound, a dynamic fishing and leisure spot.

Residents can drive or take public transport to great restaurants, exciting casinos, friendly neighborhoods, boutique shops, and more. They enjoy surf fishing, great shopping, beach walks, a dip in the pool, or relaxing on their private balcony overlooking the Gulf.

STATUS: This modern complex has been fully operational for two years. It was designed to be an energy-efficient building with modern conveniences. It was also constructed to withstand the effects of a Category 5 hurricane. And for good reason: AFRH-G had its first test in August 2012 when Hurricane Isaac (Category 1) hit the Gulf Coast region. The outcome: this new building proved to be most resilient.

Learn about AFRH-G enhancements to deliver PCC.
<https://www.afrh.gov/afrh/gulf/gulfcampus.htm>



WASHINGTON, DC Dynamic Urban Oasis

AFRH-W encompasses 272 scenic acres right in the heart of Northwest Washington, DC. Beautiful trees, majestic views, tranquil wildlife, and historic landmarks surround our Washington home. In a warm, country setting, it is nestled in the heart of our Nation's Capital, a vibrant metropolis. Venture off campus and you're just minutes from the Metro, bus line, White House, monuments, theaters, museums, pro sports teams, and more.

We take our residents on fascinating daytrips to the Smithsonian Museums, we catch exciting ball-games at Nationals Park, and we tour the remarkable historic sites of Washington. We have special music performances on campus, and we see shows at the famous Kennedy Center. Plus, the residents enjoy following the Redskins, Wizards, and Capitals, too.

STATUS: This community is in a positive transition. Throughout 2012, AFRH-W entered the final phase of the Scott Project, which includes a brand new Scott Building and vital renovations to Sheridan Building. Plus, an exterior elevator is being added to the 1960 Sheridan Building to accommodate AL relocation.

“



YOU COULDN'T DRAG ME
OUTTA HERE. I TEACH
COMPUTERS, HELP RESIDENTS,
CREATE VIDEOS, BIKE RIDE,
AND SOCIALIZE DAILY.

— Neil Ferguson (Navy)

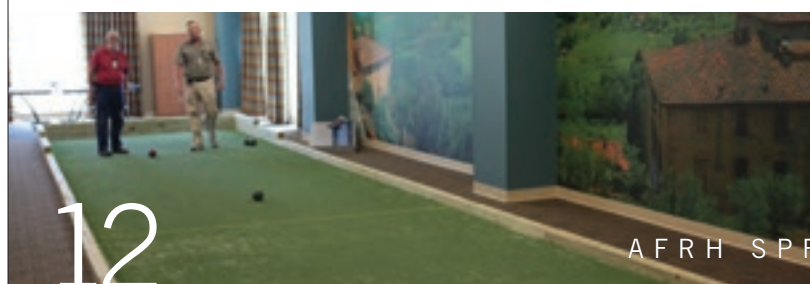
Our Remarkable Residents

ZESTFUL INDIVIDUALS

THE AFRH RESIDENTS ARE AS UNIQUE AS THEY ARE ALIKE. MANY PASSIONATELY PURSUE AN AVID INTEREST OR HOBBY. MOST REVEL IN THE MILITARY CAMARADERIE AVAILABLE HERE AT THE HOME. AND ALL HAVE DUTIFULLY SERVED OUR COUNTRY IN MILITARY SERVICE—EITHER AS CAREER PROFESSIONALS OR BATTLEFIELD WARRIORS. ALL TOLD, THEY SHARE THE COMMON EXPERIENCE OF DEFENDING OUR FREEDOMS, TRAVELING THE WORLD, MAKING HISTORY, AND SERVING AS VITAL LIVING LEGACIES.



The AFRH provides residents with a wide range of events, programs, and activities that promote socialization as well as health and wellness. The aim of this progressive living environment is to promote vitality throughout the aging process. The result: many 90-year-old residents still travel, exercise, and join in a wide range of recreation.

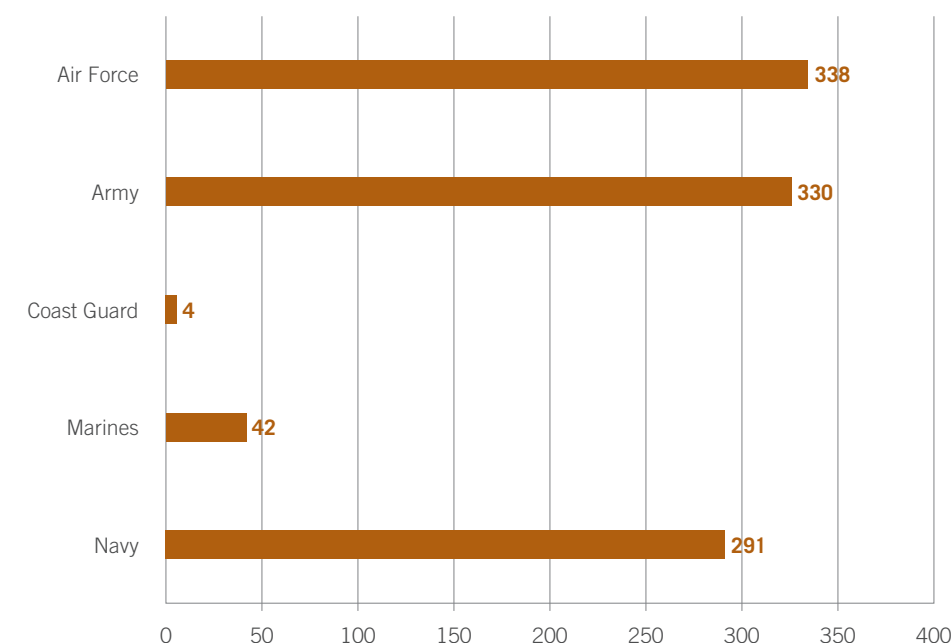


Active residents just love our bowling center, fitness center, golf tournaments, fishing derbies, Senior Olympics, softball games, and more. Creative types love making projects in our hobby shops, such as ceramics, leather, automotive, and woodworking. All the rest enjoy dances, movies, daytrips, and speakers. Naturally, there's always time for a refreshing walk, invigorating swim, card game, chess match, or game of pool.



Our residents find joy in fishing, cycling, dancing, bowling, sports, and art.

Resident branches: All branches of service are represented



Melvin Shoemaker (Army), a proud Vietnam veteran, mingles at our community picnic.

AFRH ELIGIBILITY

PERSONS ELIGIBLE TO BE RESIDENTS:

Persons who served as members of the Armed Forces, at least one-half of whose service was not active commissioned service (other than as a warrant officer or limited-duty officer), are eligible to become residents of the Retirement Home.

- » Persons who are 60 years of age or over; and were discharged or released from service in the Armed Forces under honorable conditions after 20 or more years of active service.
- » Persons who are determined under rules prescribed by the Chief Operating Officer to be incapable of earning a livelihood because of a service-connected disability incurred in the line of duty in the Armed Forces.
- » Persons who served in a war theater during a time of war declared by Congress or were eligible for hostile fire special pay and were discharged or released from service in the Armed Forces under honorable conditions; and are determined under rules prescribed by the Chief Operating Officer to be incapable of earning a livelihood because of injuries, disease, or disability.
- » Persons who served in a women's component of the Armed Forces before June 12, 1948; and are determined under rules prescribed by the Chief Operating Officer to be eligible for admission because of compelling personal circumstances.

Married couples are welcome, but both must be eligible in their own right.

PERSONS INELIGIBLE TO BE RESIDENTS:

A person who has been convicted of a felony or is not free of drug, alcohol, or psychiatric problems shall be ineligible to become a resident of the Retirement Home.

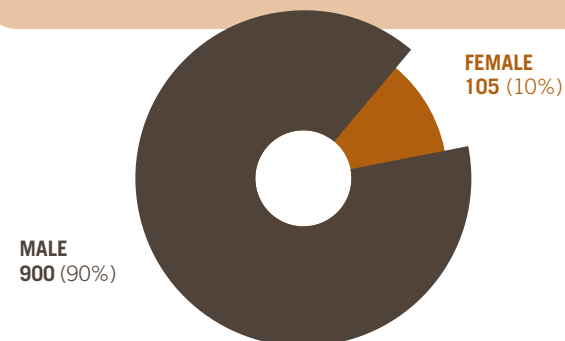
⁶ Per 24 USC 10, Section 412

PURPOSEFUL ENDEAVORS

THE AFRH RESIDENTS ARE PATRIOTS THROUGH AND THROUGH. AND THEY CONTINUE TO SERVE AMERICA BY HONORING THE RICH HERITAGE OF THE US ARMED FORCES. THEY RIDE IN MILITARY PARADES, LAY WREATHES ON NATIONAL DAYS OF MOURNING, AND REACH OUT IN THE COMMUNITY TO CONTINUE TO SERVE OTHERS IN MANY WAYS.

The residents' widespread patriotism greatly supports one key guiding principle at the AFRH: 'Honor Heritage'. For instance, Gulfport residents eagerly showcase their military careers and memorabilia in the AFRH-G Hall of Honor. Likewise, AFRH-W residents are making eager preparations for the new Scott Building's Hall of Honor. In planning dedicated museum space at both facilities, our residents can both contribute to, and reap great enjoyment from, the colorful sights and sounds of America's rich military past.

Resident Gender: most are single males



Resident war theaters: they have fought in conflicts since WWII.

BY WARTHEATER*

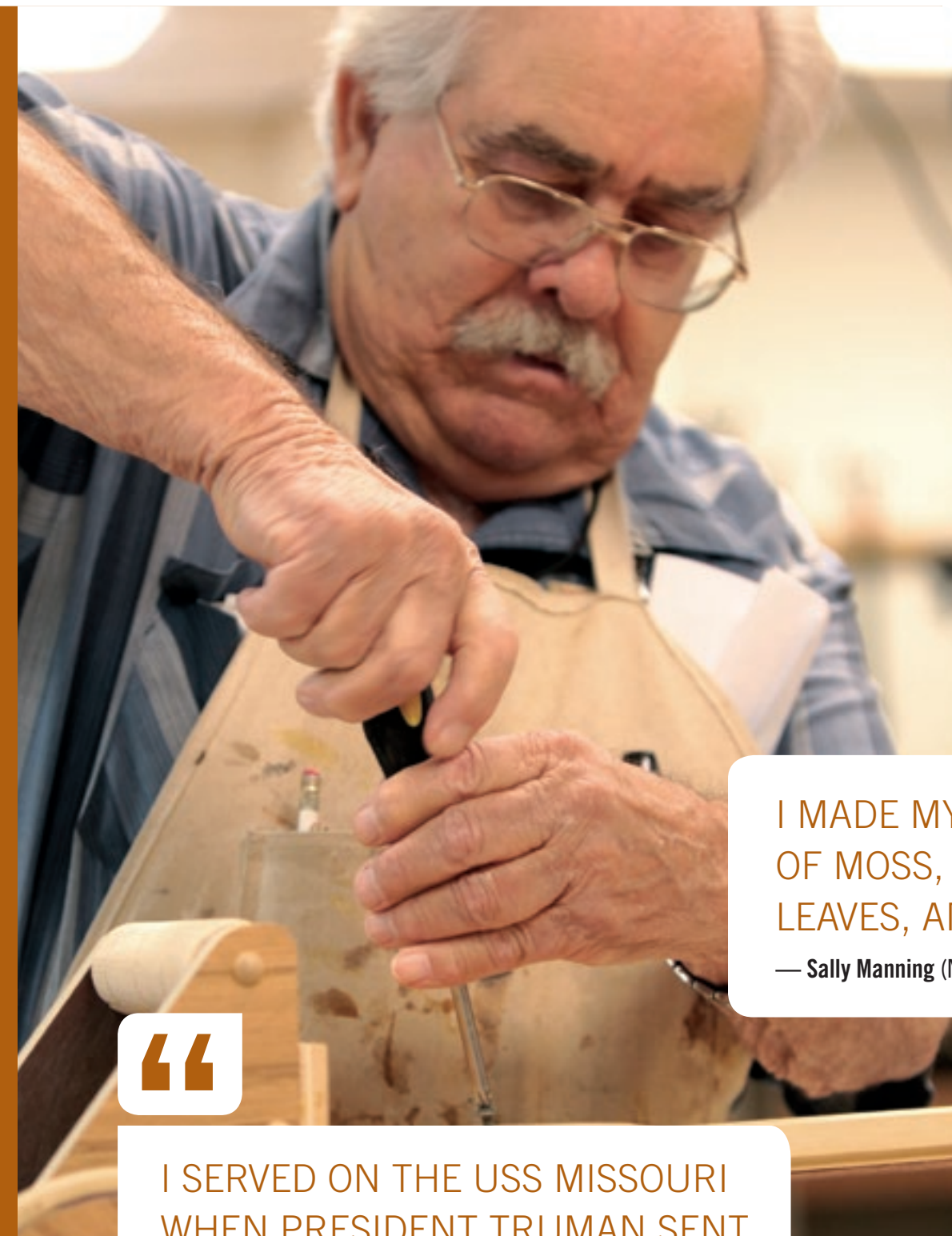
World War II: 340 (25%)
Korean War: 448 (34%)
Vietnam: 523 (39%)
Grenada: 10 (1%)
Panama: 13 (1%)
Gulf War: 5 (1%)

BY ELIGIBILITY**

Retiree: 809 (81%)
Service-connected Disability: 53 (5%)
War Theater: 90 (9%)
Female (served before 1948): 53 (5%)

**About 1/4 retirees also have service-connected disabilities

*Some were in more than 1 war



I MADE MY HAT OUT OF MOSS, GRAPEVINE LEAVES, AND FLOWERS.

— Sally Manning (Navy)

“

I SERVED ON THE USS MISSOURI WHEN PRESIDENT TRUMAN SENT US OVER TO KOREA. DURING THE MISSION MY DAUGHTER WAS BORN—AND I ONLY FOUND OUT BY TELEGRAPH TWO DAYS LATER.

— Jim Webster (Navy)



When the earthquake damaged the cafeteria, meals were served in the fitness center managed by Jerry Carter. So residents dubbed it ...

CONSIDERATE PLANNING

SINCE 2002, AFRH MANAGEMENT HAS SUCCESSFULLY MAPPED A CLEAR AND STEADY COURSE FOR THE AGENCY'S GROWTH AND EVOLUTION. ORIGINALLY, THE COO & CFO CRAFTED OUR INITIAL STRATEGY INCLUDING THE AGENCY MISSION, VISION, AND GUIDING PRINCIPLES. SINCE THEN, THESE KEY DRIVERS HAVE UNDERGONE PERIODIC REFINEMENT TO HELP MAKE THE AFRH A MORE HIGH-PERFORMANCE ORGANIZATION.

“ THE STAFF HERE JUST OVER-INDULGES US.

— Ray Eckert (Air Force)

Art is just one of many engaging activities available to residents at AFRH. Ray only began painting eight years ago. Now, he loves his art classes and attends twice a week. Moreover, his talent has truly flourished. Weekly assignments are required for each class. Plus, Ray works on side projects in the studio a few hours a day.

For Ray, art is recreational but also thought-provoking: “Painting gets you away from it all. It’s a real challenge: you visualize it, you think about it, and then you paint it.” He appreciates the instructor, Milton, for constantly developing each student’s individual talents.

Residents offer input on diverse topics like landscaping and post office boxes.

“

WE TRY VERY HARD TO IMPLEMENT EVERY RESIDENT SUGGESTION FOR A TRIP OR ACTIVITY.

— AFRH Staff

“

I DROVE A RESIDENT'S PERSONAL ITEMS TO THE HOSPITAL TO REDUCE HIS AGITATION. I STAYED WITH HIM TILL HE WAS VERY CALM. — AFRH Nurse

KEY STRATEGIC PERFORMANCE GOALS

Embrace Resident-centered Care

Each person will understand each resident’s individual needs and take realistic action to fulfill them within AFRH resources and capabilities.

Maintain Exceptional Stewardship

Pursue and implement innovative ways to deflect, reduce, and manage costs by maximizing assets, resources, and programs to fulfill needs and wishes of current / future residents.

Promote a Staff-centered Environment

Expand staff knowledge that directly impacts the accountability and efficiency of the Agency, which will in turn empower all employees to be proactive.

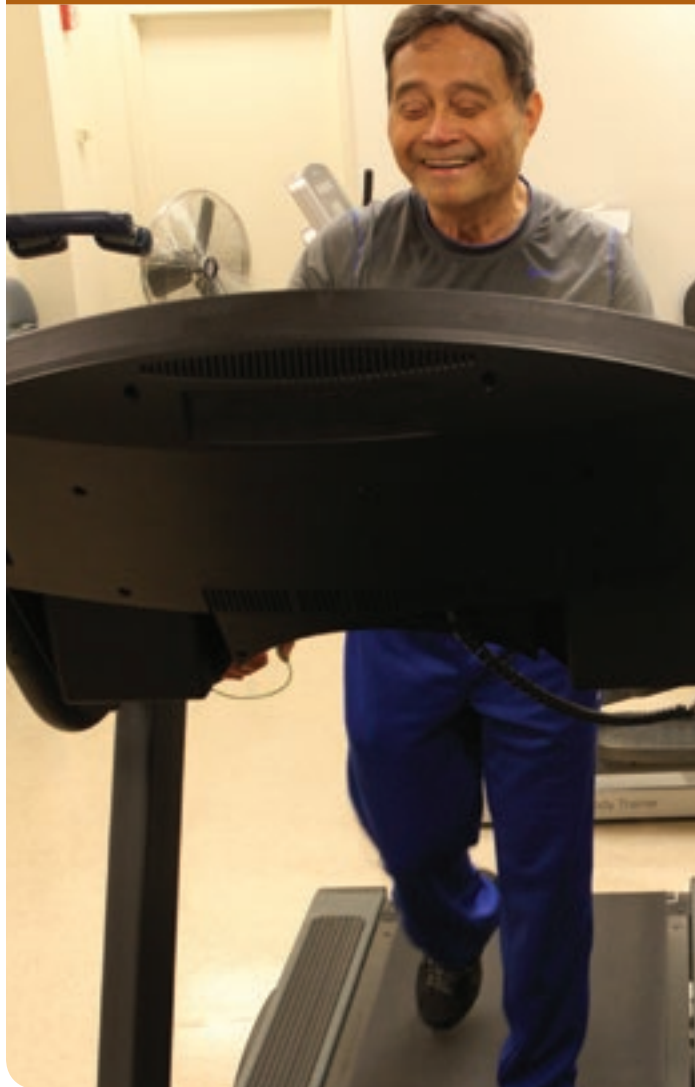
Leverage External Stakeholders

Harness, cultivate, and focus our external stakeholders to become increasingly active participants who are engaged in AFRH operations in each of the next five years.

Learn more about the forward-thinking [AFRH Strategy](https://www.afrh.gov/afrh/about/strategic2011-2015.pdf) at: <https://www.afrh.gov/afrh/about/strategic2011-2015.pdf>

CONSIDERABLE ACCOMPLISHMENTS

THE AFRH HAS MADE GREAT STRIDES IN ITS PERFORMANCE MANAGEMENT FOR FY12. PROGRESS WAS HIGHLY VISIBLE AT BOTH COMMUNITIES. ON ANY GIVEN DAY, YOU COULD SEE ADVANCES IN CONSTRUCTION, EXCITING CAPITAL IMPROVEMENTS, INCREASED STAFF INVOLVEMENT, GREATER PERSONALIZED CARE, EXPANDED COMMUNITY PARTNERSHIPS, AND OVERALL RENEWED ENERGY. THESE SUCCESSES ALL DIRECTLY STEM FROM THE AGENCY STRATEGY—WHICH CONTINUES TO GUIDE GREAT STAFF PERFORMANCE AND TOP-NOTCH RESIDENT SERVICE. ALL TOLD, WE'RE PROUD.



Specifically, the Agency is scoring high marks in resident and staff input via formal surveys. One key reason: we continue to invest the majority of funds in 'Exceptional Service' to residents. And, this year, our success measures shed new light on just how we're improving customer service.

Also, the AFRH has made advances in its staff training, we've realized very positive progress in Stewardship, plus we've improved our Human Capital Strategic Plans. Altogether, it has been a banner year in performance.

EVOLUTION OF STRATEGY

The original AFRH Strategic Goals, which were crafted a decade ago, had established targets to gauge our success in meeting the Agency's vision and mission. Recent Federal oversight has directed agencies to focus on measurable goals with high impact within each organization. So, the AFRH has recreated a new generation of goals. Today, we now track four new Key Strategic Performance Goals (see pg. 17), which have 14 associated performance measures. These new goals are truly helping the AFRH to become a high-performance organization.

We manage performance in a variety of ways. Internally, we use community Business Plans featuring action plans for the year with quarterly feedback reports on progress. Also, our staff performance reviews are linked to our Strategic Goals so the effectiveness of each employee is carefully measured.

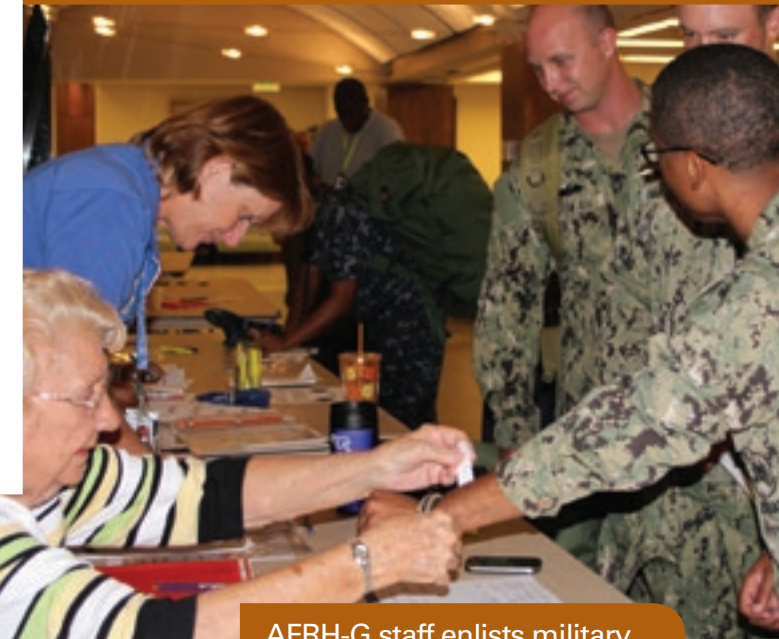
Externally, the AFRH is inspected annually by a leading healthcare accrediting body or the DoD IG. The AFRH Corporate office maintains documentation for Agency accreditation and also manages issues, risks, and quality improvements derived from inspections.

OUR CHALLENGES

The AFRH managers understand which challenges require hard work and steadfast commitment. We are tracking progress regularly on these challenges and are striving constantly to overcome them.



Margie Asper and Clint Brown keep AFRH-W residents secure.



AFRH-G staff enlists military aid during Hurricane Isaac.

STRATEGY INTEGRATION

All Plans flow from, and link back to, the AFRH Strategy.

STRATEGIC PLAN

INDIVIDUAL PERFORMANCE PLANS

BUSINESS PLANS



Special Annual Festivities

DEDICATED EVENTS



Folks from all over see the AFRH-W 55th annual antique car show (Oct. 2011).



AFRH-W has a longstanding partnership with England's Royal Hospital Chelsea.



The annual AFRH-W Senior Olympics challenge the body and soul.



Ombudsman Master Chief Ron Kartz meets Rear Admiral Jon White (Navy) on AFRH-G Community Day.



The Recreation staff adopts new identities for the Easter celebration.



General Jung-Seung Jo, Chairman, Joint Chiefs of Staff, Republic of Korea visits AFRH-W and meets Patrick Goldsworthy (Air Force).



Carol Mitchell and staff dance with residents at the annual Holiday party.



Dallas Jones (Navy) wins 1st Place in the 'Stone Soup' garden competition. Presenting is AFRH-W Administrator David Watkins.



Gulfport residents enjoy the annual Cruisin' the Coast car extravaganza (Oct. 2011).



Remembering those lost on Memorial Day at AFRH-G.

HEEDFUL VIGILANCE

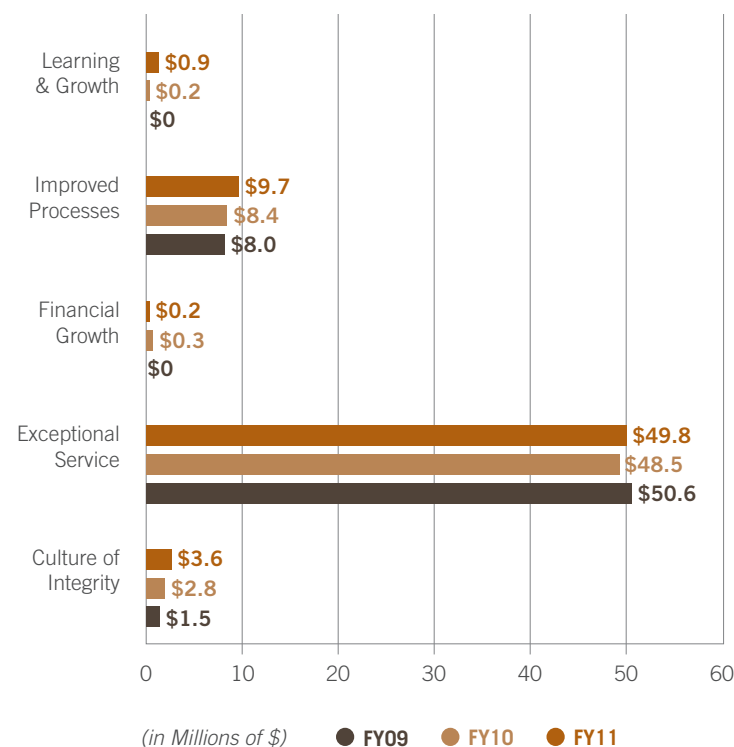
SINCE FY09, THE AGENCY HAS BEEN TRACKING ITS NET COSTS PER STRATEGIC GOAL. THIS PRACTICE HELPS US SEE EXACTLY WHERE OUR RESOURCES ARE BEING SPENT, SO WE MAY ADJUST ACCORDINGLY (I.E., 'PERFORMANCE BUDGET INTEGRATION WITH GOALS'). WE KEEP TRACK OF SPENDING VIA A MODERN FINANCIAL TREND ANALYSIS.

Expenditures for FY11-15 goals are shown in MD&A, pg. 56. In FY12, the AFRH spent the most on the new Key Strategic Performance Goal: Embrace Resident-centered Care.

The chart below shows Agency fiscal trends based on the old AFRH Strategic Goals for FY06-10.

Trend: AFRH consistently spends the most on resident service.

** Measure based on FY06-10 Strategic Goals*



Spending on Exceptional Service is above 80% of all expenditures. Also, management has increased spending on staff development over the last three years.



A focus group works on a Landscaping Master Plan to enhance paths and scenery.

NEW GOALS

FY11-15 Key Strategic Performance Goals

- 1) Embrace Resident-centered Care
- 2) Maintain Exceptional Stewardship
- 3) Promote Staff-centered Environments
- 4) Leverage External Stakeholders*

**Note: Goal 4 is new as of FY11, so spending has not been tracked.*

(OLD GOALS)

(FY06-10 Strategic Goals)

Exceptional Service
Financial Growth; Improved Processes
Culture of Integrity; Learning & Growth
N/A

“WHAT A BLESSING IT IS TO WORK WITH RESIDENTS!”

— Milton Williams (Art Specialist)



Milton has painted professionally for about 40 years. He first volunteered at the Home after retiring from a graphic design position with the Seabees that he thoroughly enjoyed. Soon after, he was hired as Gulfport's full-time art teacher.

Milton sparks the residents' imagination with novel projects and hones their art skills. Yet, he encourages them to use their own inspiration, too. One innovative idea was when Gerry Gorsky traced a photo of a submarine that's hanging in the home. She then painted a beautiful rendition of it. "That's going into the Veterans' Art Competition," Milton declared.

Another way Milton makes his classes person-centered is through assisting those with needs. He works with contrasts—light and dark colors—for those with vision issues. And, for those who have trouble hearing: "I learn which ear works best and speak into it."

Serving the residents' personal needs requires building relationships and staff teamwork, which Milton enjoys. "To seek the best interest of others...that's right out of God's word."

PRACTICAL GUIDES

IN RECENT YEARS, AFRH MANAGEMENT HAS INSTITUTED SEVERAL SMART FEEDBACK MECHANISMS TO INFORM US HOW WELL WE ARE DOING. LIKEWISE, THESE FORMS OF FEEDBACK SHOW US HOW MUCH IMPROVEMENT, IF ANY, WE MAY NEED TO MAKE IN CERTAIN AREAS. OUTLINED BELOW ARE THOSE VITAL PERFORMANCE MEASURES:

Performance Measures:

- 1
- Performance Measures of Strategic Goals
- 2
- IG Challenges
- 3
- Resident Input
- 4
- Employee Input

1 PERFORMANCE MEASURES OF KEY STRATEGIC PERFORMANCE GOALS

For the past five years we have surged well past 80% achievement in our performance measures. In FY11 and FY12 (under our new goals), we focused on key areas to ensure improved resident health and wellness. The new AFRH-G was opened and AFRH-W is in the midst of extensive vital capital improvements. However, we always have room to advance and grow.

Performance Measures for Key Strategic Performance Goals

Goal: **EMBRACE RESIDENT-CENTERED CARE**

- Accreditation
- % of resident satisfaction
- % of resident assessment plans

FY11	FY12
Met	Met
Met	Met
Met	Met

Goal: **MAINTAIN EXCEPTIONAL STEWARDSHIP**

- Trust Fund solvency
- Accuracy of financial reporting
- Housing for veterans (Scott Project)
- Trust Fund growth
- Cost avoidance

Met	Met
Met	Met
Met	Met
Met	Met

Goal: **PROMOTE A STAFF-CENTERED ENVIRONMENT**

- Evidence of measurable training goals
- % of Staff Climate Survey responses: 'Excellent or Very Good'
- Measureable evidence of growth beyond work activities
- Achievable Person-centered Care

Met	Met
Met	Met
Met	Met
Met	Met

Goal: **LEVERAGE EXTERNAL STAKEHOLDERS**

- Congressional contacts
- Annual community events

Met	Met
Met	Met

“

SPECIAL THANKS TO OUR MANAGEMENT AND LEADERSHIP STAFF, WHO SPENT MANY HOURS DURING HURRICANE ISAAC KEEPING US SAFE, INFORMED AND ENTERTAINED!!

— Bill Parker, Resident Advisory Chair, AFRH-G

2 IG CHALLENGES

We cover the AFRH IG challenges in depth on pg. 39.

3 RESIDENT INPUT

Management acquires valuable resident feedback via focus groups, town halls, the AFRH Resident Action Committee, a suggestion box, work groups, official surveys, and unofficial conversation.

Each year we survey our residents for their opinions and to see how effectively we are serving them. The results for Gulfport were absent from FY05 – 09. Input started again in FY10.

FY12 Resident Surveys:

- » Dining: AFRH-G
- » Hurricane Response: AFRH-G
- » Facilities, Activities, and Customer Service: AFRH-G & -W
- » Communicator Leadership Message: AFRH-G & -W

Dining Survey: Gulfport

AFRH-G Dining Survey included all levels of care: 193 / 481 residents responded (40%)

	Target	Result
Overall Dining Experience: "Excellent" or "Good"	70%	85%

Hurricane Response Survey: Gulfport

Hurricane Isaac brought heavy rain and torrential winds to Gulfport. Isaac made landfall just 12 hours prior to anniversary of Hurricane Katrina in 2005. Fortunately, AFRH-G suffered minimal damage with ripped sunscreens and water leaks in a few areas. The Resident Services team asked for feedback on how we served residents during the storm.

Since the facility was under emergency lockdown, all activities and staff were contained within the building during the storm. The survey asked about dining, maintenance, activities, and healthcare.

Hurricane Survey: Gulfport:

Please rate the communication provided about the storm and the AFRH storm plans through town hall meetings and flyers.

Excellent: 110 Good: 53 Fair: 14 Poor: 6
Result: 'Excellent or Good' Service
163 / 179 residents agreed (91%)

Details:
Dining: 80%
Recreation: 72%
Healthcare: 94%

SURVEY: Facilities, Activities & Customer Service

» Facilities and Activities (all favorites received 100+ votes)

RESIDENT FAVORITES IN FY12

Gulfport Facilities:

The Library
Fitness Center / Exercise
Community Center
Walking Trails

Gulfport Activities:

Birthday Celebrations
Ice Cream Socials
Cookouts
Day Trips

Gulfport Customer Service:

211 / 427 residents responded (49%)

	Target	Result
'Outstanding or Above Average'	70%	87%



Washington Facilities:

The Library
Fitness Center
Library Internet Access
Bowling Center

Washington Activities:

Cookouts
July 4 Celebration
Ice Cream Socials
Birthday Celebrations

Washington Customer Service:

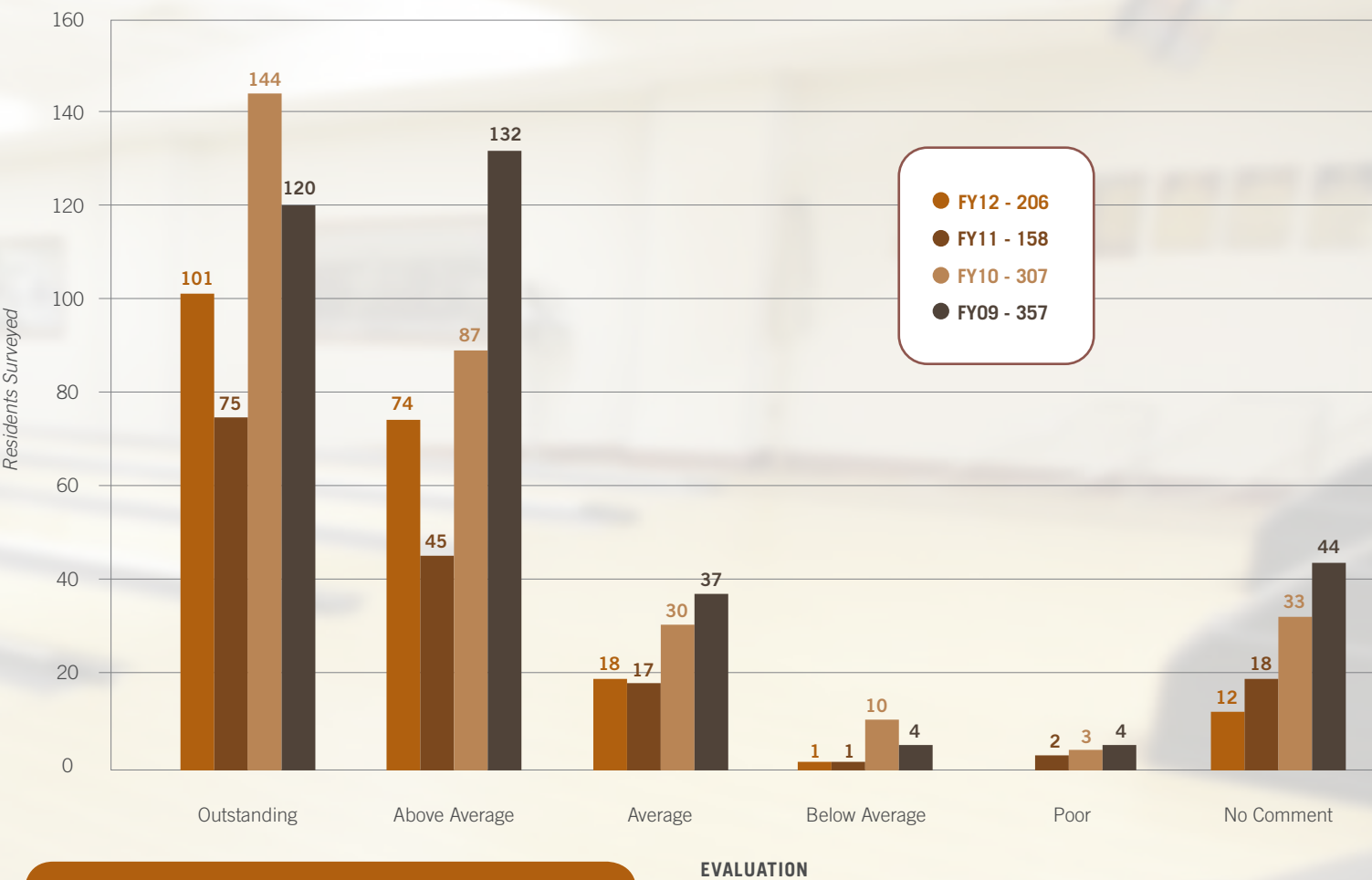
206 / 511 responded (40%)

	Target	Result
'Outstanding or Above Average'	70%	85%

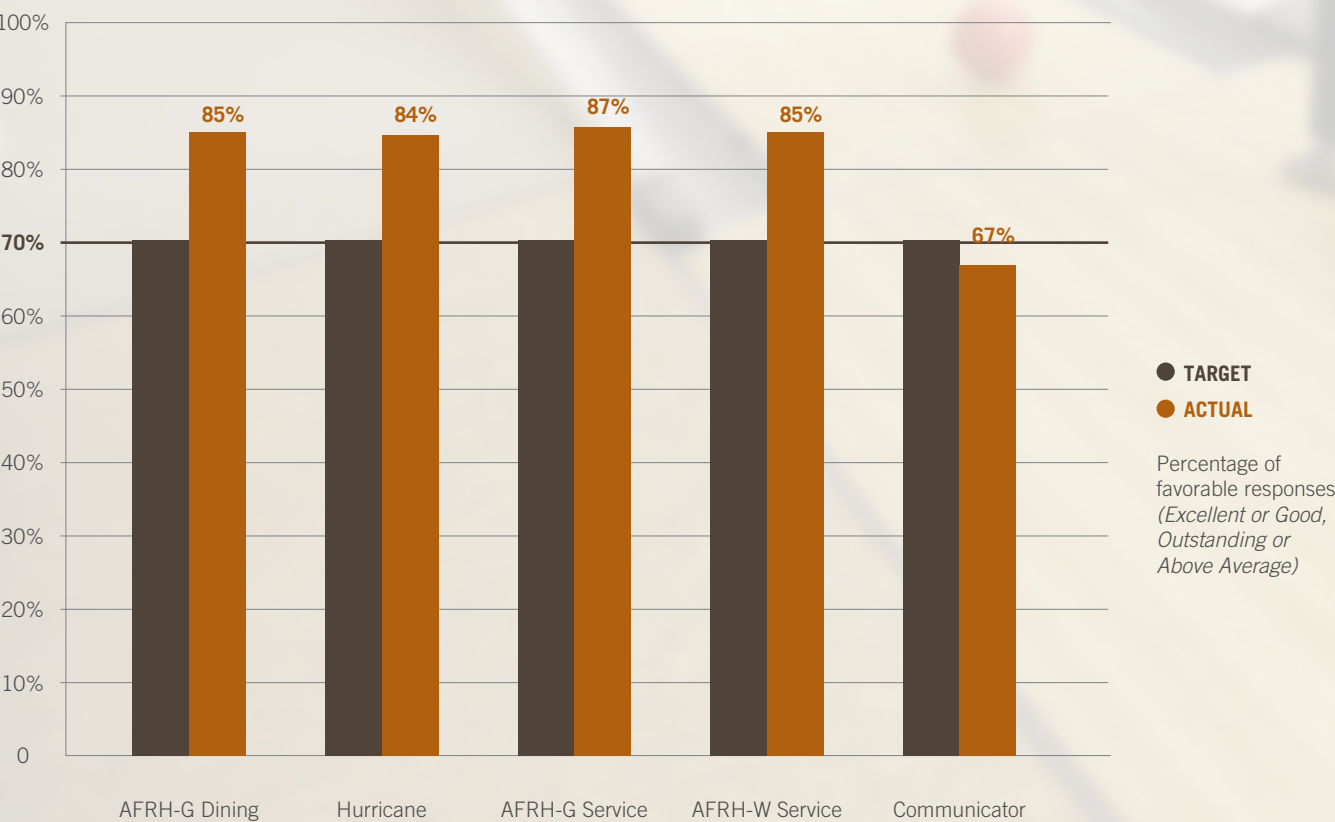
TREND ANALYSIS: Customer Service

Historically, the AFRH scores high in Customer Service. AFRH-G now has two years of data that demonstrate a positive trend based on resident opinions. While AFRH-W residents have changed over the years, our resounding positive feedback in customer service has not. In fact, in the last two years, its population has changed size and composition due to the Scott Project transition. Still, Customer Service is still tops.

Result: Most responses are 'Outstanding or Above Average' across all years.



Once again, all survey targets were exceeded with high marks.



Communicator Leadership Message Survey

Our goal is to ensure we're meeting the residents' expectations in our leadership columns in the AFRH Communicator (the monthly newspaper). Here, the COO and community Administrators relate special events, accomplishments, and special visits. Plus we address various concerns. We recently added a set of Q & As collected from suggestion boxes in resident hallways. Our residents completed a short survey on the COO, plus the AFRH-G and AFRH-W Administrator columns.

Result: 67% of all residents agreed the COO monthly article Always or Most of the Time "has information that is of interest and is beneficial to me"

AFRH-G: 67% agreed the Administrator's monthly article Always or Most of the Time "has information that is of interest and is beneficial to me"

AFRH-W: 42% of residents reported that the Administrator's monthly article Always or Most of the Time "has information that is of interest and is beneficial to me"

This feedback was the first time the columns' authors were able to see their impact. Now they can work on improvements.

4 EMPLOYEE INPUT

The annual staff survey was conducted in August 2012. Response rate: 281 / 174 employees: (62%).

“Working at AFRH is
‘Very good or Better’: 72%

Gulfport Survey:

45 / 65 responded (90%)

Target	Result
70%	81%

Washington Survey:

128 / 206 responded (55%)

Target	Result
70%	68%

Results: The OPM Employee Viewpoints survey measures four indices:

- » Results-oriented performance culture
- » Talent management
- » Job satisfaction, and
- » Leadership / Knowledge management

In all areas (except job satisfaction) AFRH employees scored above the Federal average. The highest index was Job Satisfaction (72%). All indices besides Leadership / Knowledge management received an increase in scores over last year.

Talent Management increased (+6%) and both Job Satisfaction and Results Oriented Performance Culture increased slightly (+2%).

Seeking Staff Input

Besides the annual survey, management conducts employee focus groups, brown bag lunches, and staff-centered action committees. Also, the COO hosts quarterly employee meetings at both campuses and gladly answers questions on the spot.

Designated committees are working on staff-centered action plans to resolve concerns in:

- » Training
- » Education
- » Staff wellness
- » Staff dining
- » Awards and recognition
- » Energy conservation, and
- » Flexible work hours

“

WE COME DOWN HERE
TO DIE—BUT THEY
TREAT US SO GOOD WE
KEEP ON LIVING! — James Iozzo



“

HOUSEKEEPING
ALWAYS ARRIVES
ON TIME AND WITH
A SMILE.

— Anonymous Resident
to the COO Suggestion Box

“

NOT ABOVE YOU
OR BENEATH YOU
BUT ALWAYS BY
YOUR SIDE.

— Charlie Jenkins (Navy), happy hour toast



Presenting the PAR to residents is an annual tradition for the COO.



“

I HAVE THE
BEST JOB:
I GET TO SERVE
THOSE WHO
HAVE SERVED.

— Master Chief Ron Kartz, Ombudsman

In 2001, Ron became the Maintenance Chief of AFRH-Gulfport. Hurricane Katrina ended his job and many more. When AFRH-G finally reopened, Ron volunteered to help get the residents settled. He found the experience of helping residents very rewarding—and being back on campus was like going home.

His genuine benevolence did not go unnoticed. In September, 2011, Ron was hired as AFRH-G Ombudsman. “The residents are my troops. I’m their advocate. I help resolve issues, and I help establish or change policies.” Moreover, Ron

also maintains military heritage in the Home by acquiring memorabilia.

Another joy of his job: securing tables for the residents at formal service balls on the regional military bases. “I’ll bring a busload of residents,” he chuckled. “They love it. Everybody dresses up in uniforms, and they’re treated as special guests.”

Ron is so happy to advocate for our retired service members: “I’ve always wanted to work for the Home because of the residents. It’s very humbling.”

CAREFUL STEWARDSHIP

THE AFRH TRUST FUND WAS CREATED BACK IN 1851 TO SAFEGUARD OUR NATION'S DEFENDERS AFTER SERVICE. THIS TRUST FUND IS THE MAIN SOURCE OF FUNDING FOR THE AFRH OPERATIONS BUDGET AND CAPITAL IMPROVEMENTS. THE UNITED STATES CONGRESS APPROVES ALL WITHDRAWALS FROM THE AFRH TRUST FUND AND THE SUBSEQUENT EXPENDITURES. OUR TRUST FUND IS THE MAIN REASON THE AFRH IS SELF-SUFFICIENT AND DOES NOT RELY ON TAXPAYER MONEY FOR ITS OPERATIONS.

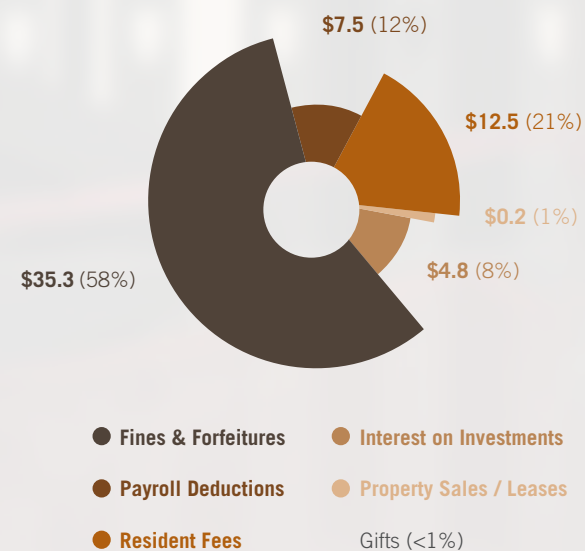
The Trust Fund is fed by constant revenue from:

- » AFRH resident fees
- » Trust Fund Interest
- » Active duty payroll deductions (each Warrant Officer & Enlisted pays \$.50 / mo.)
- » Fines & forfeitures: military personnel misconduct (58% of Trust Fund revenue)
- » Sale / Lease of property, and
- » Gifts (<1%)

Other revenue includes payments received from short-term leases of surplus buildings on the Washington campus that are not used by residents or the Agency as well as gifts (<1%). The Gulfport and Washington campuses also derive other income from room rentals and meals provided for visitors.

AFRH FY12 Revenue Sources

(In Millions of \$)

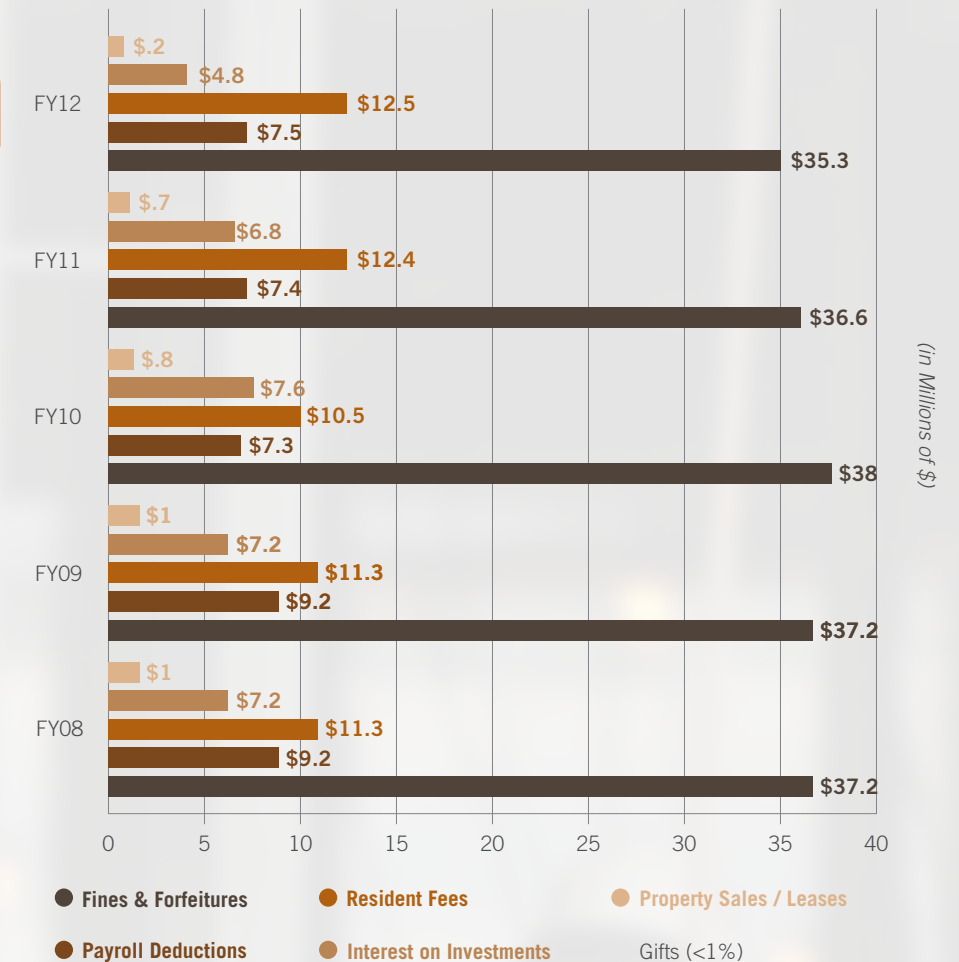


AFRH 5-year Revenue Trend

FY12 Budget: decreased from FY11

The Congressional Budget Request for FY12 totaled \$82.3 million (\$65.7 million in Operations & Management (O&M) and \$16.6M in Capital Improvements). Capital funding includes \$14.6M of supplemental money appropriated to repair damages at AFRH-W from the August 2011 earthquake.

FY11 marked the final year of growth in operating costs as the new Gulfport community began full operations on October 1, 2010. After two full years of successful service at AFRH-G, we have opened upper levels of care based on the needs of the population.



The FY12 Budget Request contained a decrease of \$3.4 million in O&M due to increased efficiencies and cost reductions. The AFRH did receive an extra \$14.6 million from Congress to renovate Sherman Building and repair other serious damages resulting from the August 2011 earthquake. This figure was in addition to the \$2 million annual budget line item for AFRH capital improvements.



ONCE CONSTRUCTION IS COMPLETE, WE'LL BE LIKE ONE BIG, HAPPY FAMILY.

— John Porter (Air Force)



AFRH TRUST FUND: SOLVENT

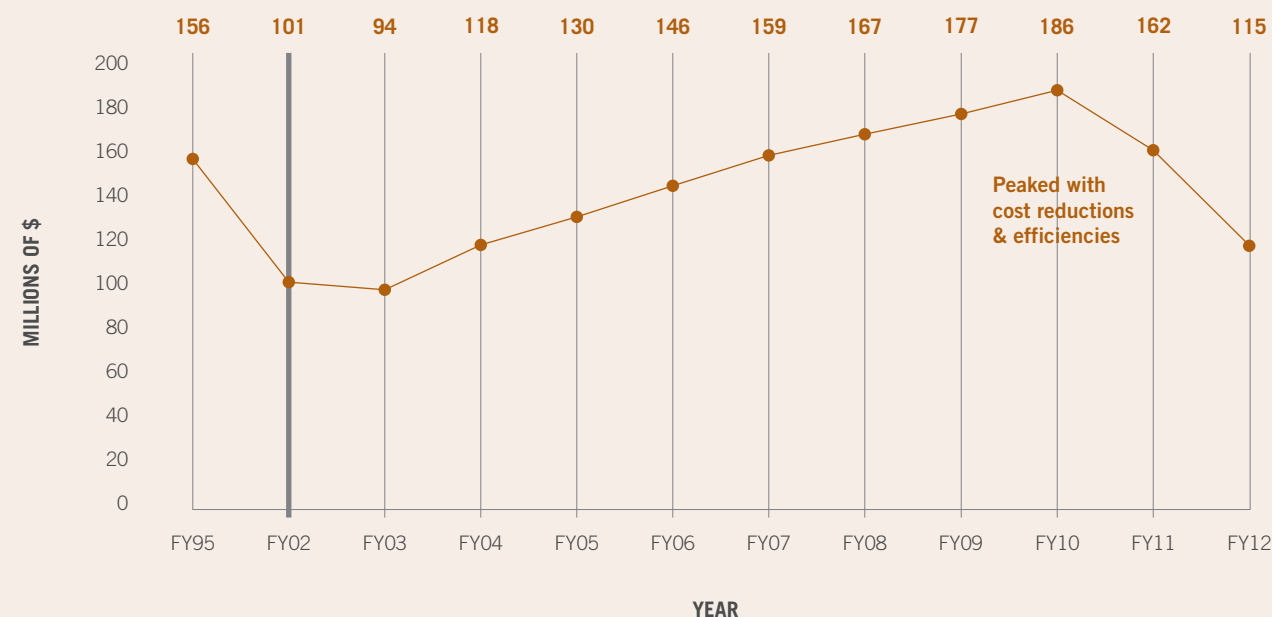
The 2012 Trust Fund Solvency analysis concludes that the Trust Fund is solvent (given several base case assumptions). Over this past decade, AFRH management has substantially reduced operating costs while taking on several major construction projects. This, too, has kept the AFRH Trust Fund in solvency.

Moving forward, one key assumption is that management will be successful in selling or even leasing land on the campus at AFRH-W. This action will provide a much-needed, substantial boost to the Agency’s long-term fiscal solvency.



TRUST FUND BALANCE REFLECTS SCOTT PROJECT INVESTMENTS.

Ending Net Position: *Slight Decrease*



“THE MOST CREATIVE ITEM I’VE SEWN IS A DRESS FOR MY GRAND-DAUGHTER AT AGE SIX.

— Jo Colvard (Army)



In 1943, Jo volunteered for the Women’s Auxiliary Army Corps because: “I wanted to do something worthwhile.” Afterwards, she met her husband, moved to San Diego, and adopted a son.

To save money, Jo sewed her husband and son’s clothes. In fact, she even took an adult education course to learn how to design her own clothing. “Now, I order clothes from a catalogue!,” she jokes. That may be—but Jo still volunteers in the sewing room each Friday here at AFRH-W.

Jo also creates beautiful Christmas ornaments as well as decorative beaded flowers for her fellow residents. Plus, she always attends her weekly Women’s Group meetings to share jokes and philosophical quotes. Altogether, she and her husband have lived at AFRH-W for 20 years. In reflecting upon her 92 years, Jo says, “It’s been a great life! It couldn’t possibly have been better.”

DELIBERATE REPORTING

THE INDEPENDENT ACCOUNTING FIRM BROWN & COMPANY, CPAs, PLLC, EXPRESSED AN ‘UNQUALIFIED OPINION’ ON THE AFRH COMPARATIVE FY12 AND FY11 FINANCIAL STATEMENTS, BALANCE SHEET, STATEMENT OF NET COST, STATEMENT OF CHANGES IN NET POSITION, AND THE STATEMENT OF BUDGETARY RESOURCES. FURTHERMORE BROWN & COMPANY DID NOT REPORT ANY MATERIAL WEAKNESSES FOR AFRH IN FY12.

AFRH management, in partnership with BPD, is accountable for the integrity of all fiscal information presented in this Report. All financial statements and data have been prepared from the AFRH accounting records in conformity with the Generally Accepted Accounting Principles (GAAP) as defined by the CFO’s Act of 1990 and OMB.



8TH CONSECUTIVE UNQUALIFIED OPINION

Modern Audit Results:

FY12	Unqualified
FY11	Unqualified
FY10	Unqualified
FY09	Unqualified
FY08	Unqualified
FY07	Unqualified
FY06	Unqualified
FY05	Unqualified
FY04	(N/A)

Limitations of the Principal Financial Statements

Our Statements have been prepared to report the financial position and operating results of the AFRH, pursuant to the requirements of 31 U.S. 315(b). They were prepared following GAAP. These Statements are in addition to financial reports prepared from the same books and records used to monitor and control budgetary resources. They should be read with the understanding they are for a component of the US Government, a sovereign entity.

BALANCE SHEET

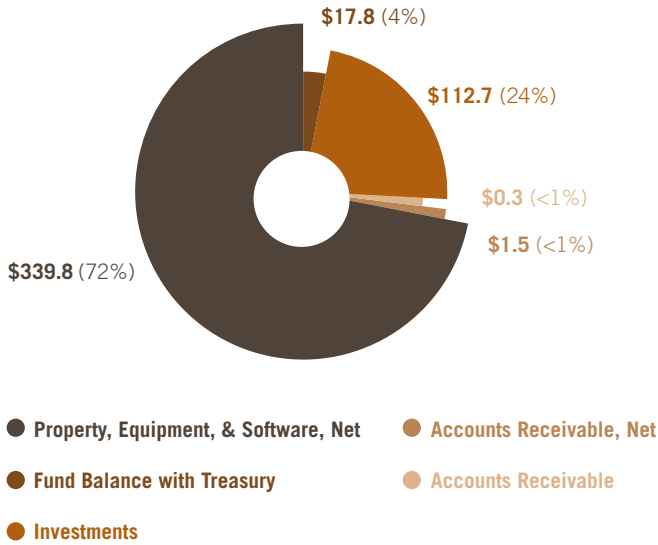
Assets & Liabilities Changing

Net Position is the current value of the Agency’s assets less liabilities. Our Net Position at the end of FY12 (per the Balance Sheet) was \$442 million: a \$3 million decrease from the last fiscal year. This decrease reflects investments for the ongoing Scott Project that came out of the AFRH Trust Fund. The increase in Liabilities is due, in part, to accounts payable for the construction projects at AFRH-W.

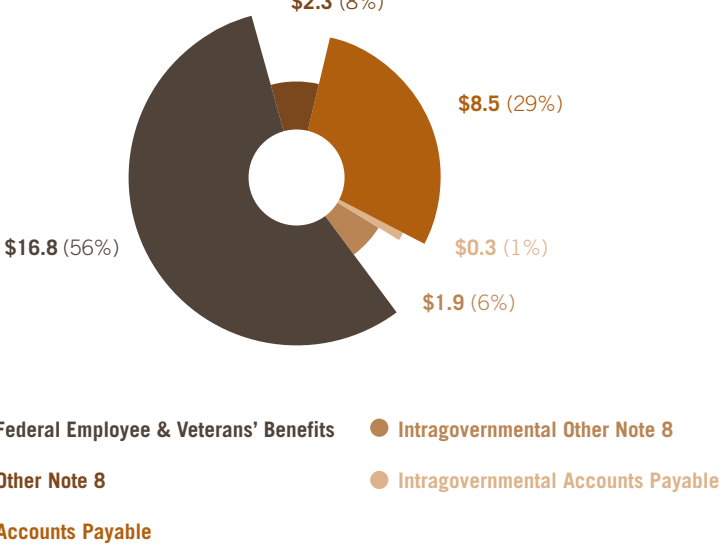
Assets:			
FY12	FY11	Net changes:	% Change
\$ 472,055,496	\$ 462,654,637	\$ 9,400,859	+2%

Liabilities:			
FY12	FY11	Net changes:	% Change
\$ 29,808,490	\$ 17,636,058	\$ 12,172, 432	+69%

AFRH Assets for FY12
(In Millions of \$)



AFRH Liabilities for FY12
(In Millions of \$)



STATEMENT OF NET COST

Aligning Costs with Strategic Goals

Since FY09, the AFRH has tracked all expenditures back to its Strategic Goals via its accounting system. In FY11, we consolidated and evolved our Strategic Goals into Key Strategic Performance Goals. Albeit, our accounting system does not reflect this change, as of yet. (NOTE: Past trend data in this chart reflects past AFRH Strategic Goals).



Historically, we invest the most in Exceptional Service. (In Millions of \$)

PAST STRATEGIC GOALS	FY09	FY10	FY11
Culture of Integrity	\$1.5	\$2.8	\$3.6
Exceptional Service	\$50.6	\$48.5	\$49.8
Financial Growth	\$0.0	\$0.3	\$0.2
Improved Processes	\$8.0	\$8.4	\$9.7
Learning and Growth	\$0.0	\$0.2	\$0.9

ATTENTIVE INSPECTION

THE AFRH INSPECTOR GENERAL PLAYS A KEY ROLE IN PROTECTING THE AGENCY FROM WASTE, FRAUD, AND ABUSE BY CONDUCTING OBJECTIVE AND INDEPENDENT AUDITS. THE IG RECOMMENDS POLICIES THAT PROMOTE ECONOMIES AND EFFICIENCIES IN THE ADMINISTRATION OF PROGRAMS AND OPERATIONS. ABOVE ALL ELSE, THE IG KEEPS THE COO INFORMED ABOUT PROBLEMS AND DEFICIENCIES, THE NEED FOR CORRECTIVE ACTIONS, AND THE PROGRESS THAT MAY RESULT FROM THOSE ACTIONS.

Also, the AFRH IG provides essential leadership that helps this organization grow effectively and fulfill its mission. In 2012, Sheila Abarr was selected as the new AFRH IG in tandem with her responsibilities as Public Affairs Officer.

The Reports Consolidation Act of 2000 requires each Federal agency IG to identify and report each year on the most serious management and performance challenges. The IG also reports what steps have been taken for the mitigation and correction of those challenges.

“ I WILL CAREFULLY OBSERVE, RECOMMEND, AND SUPPORT OUR RESIDENTS AND STAFF.

— Sheila Abarr (New AFRH IG)



Future Management Challenges as identified by the IG:

2013 MANAGEMENT CHALLENGES	RECOMMENDED ACTIONS
Transitioning to and operating the new AFRH-W Scott Building	<div>» Maintain oversight of schedule & construction budget</div> <div>» Work with all staff to enhance the understanding of floor plans before move-in</div> <div>» Clarify to staff all operational changes dependent on new designs once building opens</div>
Optimizing strategy for the Washington Master Plan revival	<div>» Work with Corps of Engineers on updates to property appraisal and partner with DoD to secure investors and funding as forecast in financial analyses</div>
2013 PERFORMANCE CHALLENGES	RECOMMENDED ACTIONS
Continuing progress in PCC operations & enhancing its service delivery	<div>» Empower staff by expanding PCC knowledge & skills</div> <div>» Achieve acceptable performance & alter services as needed</div>
Continuing the expansion of Aging-in-Place	<div>» Reduce higher levels of care and related costs via right-sizing AFRH-W</div> <div>» Promote independence via ILP on both campuses</div> <div>» Finalize construction of the ‘new’ living spaces</div> <div>» Move in and operate in the new model</div>
Advancing IT throughout all of the AFRH	<div>» Deploy Electronic Health Record System (EHRS)</div> <div>» Move to Cloud technology for email & files</div> <div>» Enhance networking / videoconferencing & reduce IT costs</div> <div>» Create / implement an overall IT strategy and process to implement electronic records, networking & videoconferencing</div>
Maintaining optimum financial management	<div>» Ensure Trust Fund solvency, keep expenses down & create revenue via the Washington Master Plan</div> <div>» Continue to put added emphasis on Internal Controls</div> <div>» Develop procedures & measures that will arm us with vital data to make ongoing process improvements</div>



“ I HAVE EVERYTHING I COULD EVER DESIRE. I GET TO GOLF, WORK IN THE WOODSHOP, AND EAT THREE DELICIOUS MEALS A DAY.

— KEN FALLER (NAVY)

Ken served 23 years in the Navy and spent 13 of them working on submarines in many different capacities. He had two tours in Vietnam and even taught submarine school. He came to AFRH-W in 2009: “I was born and raised here, so this atmosphere is right up my alley.”

Daily golfing is one of Ken’s favorite things here. He also devotes much time to managing the wood shop and is hand-carving signposts for the golf course. Ken began woodworking at

age 16, and he continued it throughout his Naval career and beyond. “I never dreamed I would have a woodshop to myself, but here it is.”

Ken helps residents in need by building trays for their walkers, bookshelves for their rooms, and nearly anything asked of him. He also assists fellow residents by driving them where they need to go. Kindness comes naturally to Ken, as he believes that someday it will come back to him. “What goes around comes around.”

2012 MANAGEMENT CHALLENGES

Rehabbing Sherman Building: repairing, reconstructing, funding & reinstating corporate staff

Maintaining Financial Solvency: keeping costs down and ensuring Trust Fund solvency as Trust Fund is expended for the Scott Project

Enhancing Resident Services: establishing base-line contracts to support resident needs (for medical supplies, dental services, pharmacy, optometry, and rehab at both AFRH-W & -G); and implementing EHRS on both campuses

RESPONSE AND PROGRESS

With Congressional funding, the contract to repair earthquake damage began in mid-summer 2012. Work will continue to Nov. 2012. Corporate staff cannot return until repairs are complete in FY13. STATUS: On Schedule

Via an update to the LRFP, analysis has shown Trust Fund withdrawals for the Scott Project will not affect Fund solvency if a conservative spending pattern is maintained and revenue is realized from the Washington Master Plan. STATUS: On Track

Adjusting all contracts for PCC & environmental changes at both Homes has been a priority. Contracts were adjusted for new configurations at AFRH-W & -G.

The software chosen in FY11 was ready to be deployed. Yet, we discovered it did not have the functionality AFRH required. So, managers selected new software in FY12 that is more fitting. Staff training, records conversion, and overall rollout will begin in FY13. STATUS: On Track

2012 PERFORMANCE CHALLENGES

Evolving Resident- & Staff-centered Care: cultivating this cornerstone philosophy at the Agency and continuing training for all staff and residents

Advancing Professional Development: providing and encouraging staff to take advantage of growth training from no-cost or fee-based sources

Developing Aging in Place: reducing upper levels of care, thereby reducing costs through rightsizing AFRH-W as well as ILP expansion on both campuses

RESPONSE AND PROGRESS

PCC education has been ongoing as a module in all required training. At the annual offsite, expanded concepts in PCC were presented. The dining survey enhanced the concept of PCC food services and delivery.

We are preparing for the shift to a ‘small house concept’ in the new Scott. A renewed emphasis on staff roles in PCC has yielded action committees to address staff concerns.

A committee was formed to explore how staff can obtain education & training while expanding personal growth. This stems from the Key Strategic Performance Goal: Create a Staff-Centered Environment.

The expansion of ILP has yielded fewer residents entering healthcare units. At AFRH-G, 43 ILP residents are cared for; at AFRH-W, the number is 46. The new Scott Building is near complete, and its small house concept for healthcare will lower LTC entry.

ENVIRONMENTAL INITIATIVES

This year, the AFRH has made tremendous strides incorporating sustainability into many aspects of Agency operations. These efforts address Federal energy and sustainability mandates, plus they help us reduce energy, water, and waste. Moreover, sustainability also reinforces our commitment to PCC.

In the coming year, the AFRH will continue to implement sustainability practices in its core Agency operations. Under Federal mandates (Executive Orders 13514 and 13423), the AFRH completed its first comprehensive evaluation of energy usage and greenhouse emissions in FY12.

AFRH-G received certification for LEED Silver in 2011. This year we are pleased to report AFRH-G has earned the distinction of LEED Gold. Now, an AFRH-W construction goal under the Scott Project is to earn LEED Gold certification for the new Scott Building and Golf Clubhouse.

The AFRH Senior Sustainability Officer (SSO) is responsible for compiling the Strategic Sustainability Performance Plan (SSPP) and then reporting back

under Executive Orders 13514 and 13423. The SSO's duties include supervising facilities, operations, and maintenance of both communities, plus the rollout of any energy and water-efficiency measures. The SSO also coordinates the implementation of the SSPP along with any Agency environmental initiatives.

The Agency has many sustainability initiatives in progress, and we are now assessing where these activities correspond to Federal Greenhouse Gas and sustainability requirements. All AFRH environmental initiatives are recorded and tracked in the CIP.

In FY11, an investment-grade audit was performed on three buildings at AFRH-W—the Sherman, the Sheridan, and Quarters 2. New projects arose from this audit, and they are now incorporated into the CIP Update. Finally, The AFRH submitted its inaugural Strategic Sustainability Report in FY12. Altogether, our new energy-saving efforts, combined with a reduced footprint at AFRH-W, will help the AFRH preserve resources AND reap maximum savings.

AFRH KEY ENERGY GOALS:

- » 30% reduction in energy intensity by 2015 (2003 baseline)
- » 26% reduction in water intensity by 2020 (2007 baseline)
- » 22% annual reduction of petroleum product usage by vehicle fleets thru 2020 (2005 baseline)
- » Reduce waste generation & increase recycling
- » Reduce toxic & electronic waste, and
- » Increase renewable energy usage



“OUR PLAN FOR GULFPORT IS TO PUT IN BLOOMING GARDENS AND TREES.”

— Bill Parker (Air Force, AFRH-G RAC Chair)



Bill is both a nature lover and a charming socialite. Born on the Bayou, Bill is well connected—like any strong tree with deep roots. He explained how the greening of AFRH-G takes some nurturing.

“Well, The Mississippi Renaissance Garden Foundation has a mission to put gardens all across the Gulf Coast—and we got involved, too,” explains Bill. “Moreover, The Mississippi State Extension Service helped us start rooftop gardens, which help the environment and keep the heat out.”

Soon, residents will have a forest featuring memorial and fruit trees alongside their garden of organic fruits and vegetables. They’ve even connected with someone who makes certified organic compost. “It’s a big plan and starts with irrigating the water,” says Bill.

This garden project is another creative and physical outlet for residents who have a green thumb, want to learn gardening, or simply want to go green. “We have many residents involved. It’s about them—keeping them busy. Gardening is good therapy.”

Many Special Thanks

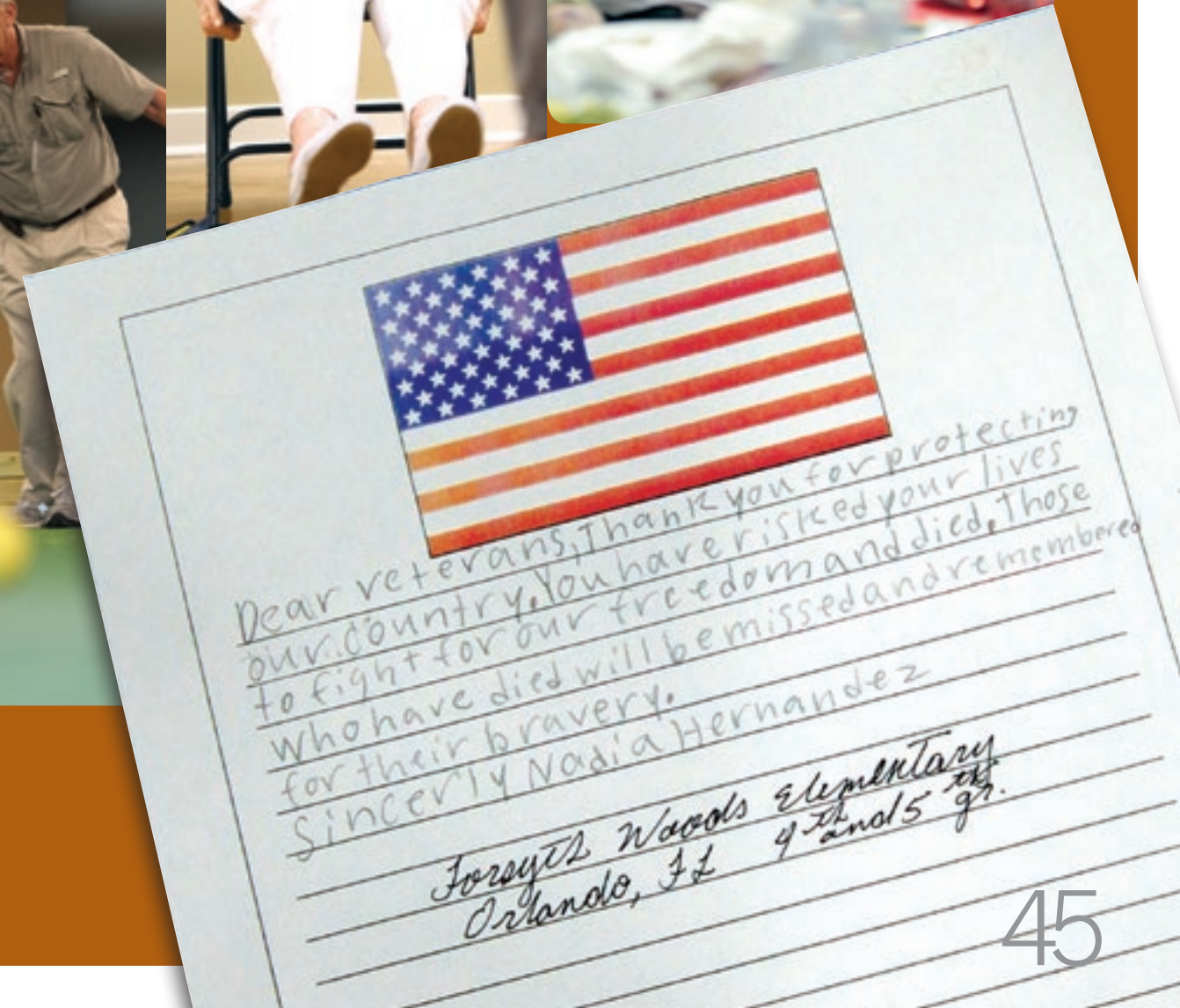
HEARTFELT APPRECIATION

TO OUR WONDERFUL STAFF, SUPPORTERS, VISITORS, VOLUNTEERS, AND RESIDENTS: THANK YOU SO MUCH FOR YOUR ONGOING SUPPORT OF OUR PLANS, EFFORTS, AND ACHIEVEMENTS. WE COULD NEVER SUCCEED AND THRIVE WITHOUT YOUR SUPPORT. TO THOSE WHO GENEROUSLY GIVE THEIR TIME AND INTERFACE WITH THE AFRH DAILY: YOU ARE TRULY HELPING US ALL TO DELIVER: **MINDFUL CARE, MEANINGFUL LIVING.**

Also, we thank you for taking the time to learn about the exciting AFRH transformation as summarized in this 2012 SPFI. Our innovative changes will help enrich the lives of everyone associated with both Homes. We welcome your input on how we may improve this report. Just contact us:

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